



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

December 15, 2006

Christopher J. Ward, Treasurer  
National Republican Congressional Committee  
320 First Street  
Washington, DC 20003

**Response Due Date:**  
**January 17, 2007**

Identification Number: C00075820

Reference: Amended October Monthly Report (9/1/06-9/30/06), received 11/02/06

Dear Mr. Ward:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **An adequate response must be received at the Commission by the response date noted above.** An itemization of the information needed follows:

-Schedule A of your report discloses an aggregate year-to-date total(s) for a contribution(s) received from Mr. Alden W. Clausen, Mr. Michael H. Dennos, and Mr. Joseph M. Farley, which appears to be incorrect. Please amend your report to provide the correct aggregate year-to-date total(s).

-Schedule A of your report (see attached) discloses one or more contributions from an organization(s), which is not a political committee registered with the Commission. In order for your committee to accept contributions from unregistered organizations into accounts used to influence federal elections, your committee should take steps to insure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If any apparently prohibited contribution in question was incompletely or

incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible.

To the extent that your committee has received prohibited funds, you may have to make a refund. If within 30 days of receipt you (1) transferred the prohibited amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund, you may retain the contribution in an account not used to influence federal elections. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 30 days of receipt, the prohibited amount must be refunded. See 11 CFR §103.3(b)(1).

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. Should you choose to transfer-out or refund the contribution(s), the Commission will presume the funds were impermissible if no statement from your committee provides information to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee in transferring-out or refunding the amounts will be taken into consideration.

-Schedule A of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §110.2(c) prohibit a political committee which is established and maintained by a national political party, and any affiliated committees, from accepting contributions in excess of \$15,000 in a calendar year from a multicandidate political committee.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to

influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund must be honored.

If the foregoing conditions for transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for any transfer-out or refund. In addition, any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), your prompt transfer-out or refund of the excessive amount will be taken into consideration.

-Schedule A supporting Line 15 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. 11 CFR §100.52(d)(1) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.52(d)(2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.52(d)(1))

-Schedule A supporting Line 15 of your report discloses a payment(s) to another political committee(s) for goods and/or services provided by that committee(s). 11 CFR §100.52(d)(1) states that "...the provision of any

goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.52(d)(2)

Please clarify whether your committee was assessed the usual and normal charge for the goods and/or services you received and explain the steps the political committee(s) took in determining the amount(s) charged to you. If your committee was provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by the political committee(s) to your committee and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.52(d)(1))

-Schedule A supporting Line 15 of your report discloses a payment from "THE LEVATINO GROUP." It appears this receipt was for goods and/or services provided by your committee. Pursuant to Advisory Opinion 1979-18, the sale/purchase price paid to a political committee could involve the receipt of a contribution from a purchaser if the purchase price exceeds the "usual and normal charge". The term "usual and normal charge" for goods is defined as the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution. Examples of goods and services include equipment, supplies, personnel, advertising services, membership lists, and mailing lists. 11 CFR §100.52(d)(1) and (2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided and explain the steps your committee took in determining the amount charged. If your committee provided the goods and/or services at more than the usual and normal charge, the difference between the two is considered to be an in-kind contribution received by your committee from a corporation and is prohibited subject to the limits set forth at 2 U.S.C. §441b(a)

-Schedule B supporting Line 23 of your report discloses one or more contributions to a candidate(s) for the 2006 Primary election; however, the funds were disbursed after the election date(s) (see attached). Please note that contributions may not be designated for an election which has already

occurred unless the funds are to be used to reduce a candidate committee's debts incurred during that election campaign.

If any apparently impermissible contribution in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. If the contribution(s) in question should have been designated for debt retirement, you should amend your report to indicate "debt retirement," along with the year of election.

If you have made an impermissible contribution, you must request a refund or provide a written authorization for a redesignation of the contribution pursuant to 11 CFR §110.2(b) within 60 days of the treasurer's receipt.

If the foregoing conditions for redesignations were not met within 60 days of the treasurer's receipt, your committee must obtain a refund.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of the refund or redesignation request sent to the recipient committee(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received. Any redesignations should be disclosed as memo entries on Schedule B supporting Line 23 of the report covering the period during which the redesignation is made. 11 CFR §110.1(b)

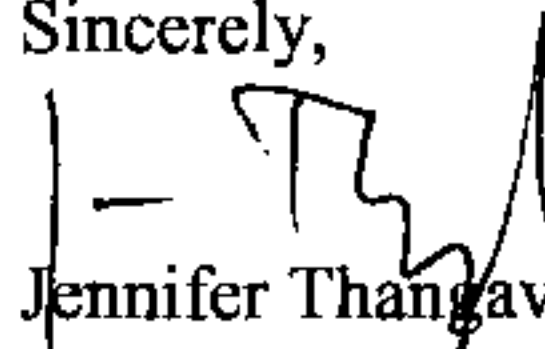
Although the Commission may take further legal action regarding this impermissible activity, your prompt action in obtaining a refund and/or redesignating the contribution(s) will be taken into consideration.

-Schedule E of your report discloses Calendar Year-To-Date Per Election for Office Sought totals for several elections which appear to be incorrect (see attached). These figures are calculated by aggregating the total amount expended during the calendar year, per election, per office sought. Please amend your report to clarify these discrepancies.

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. **Requests for extensions of time in which to respond will not be considered.** Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1143.

Sincerely,



Jennifer Thangavelu  
Senior Campaign Finance Analyst  
Reports Analysis Division

Contributor Name	Date	Amount
Aventis Pharmaceuticals Products Inc. Political Action Committee	09/07/06	\$5,000.00
Key Biscayne Republican Women's Club - Federated	09/19/06	\$100.00

Contributor Name	Date	Amount	Report
Sunshine PAC	03/24/06	\$10,000.00	Amended 2006 April Monthly Report, received 10/10/06
Sunshine PAC	09/28/06	\$10,000.00	Amended 2006 October Monthly Report, received 11/2/06

Recipient Name	Date	Amount	Election	Election State - Date
DAVID MCSWEENEY FOR CONGRESS 2006 INC	9/12/06	\$5,000.00	P2006	IL - 3/21/06
RICHARD BAKER FOR CONG. COMM.	9/13/06	\$98.00	P2006	LA - 8/11/06
RODNEY ALEXANDER FOR CONGRESS	9/20/06	\$98.00	P2006	LA - 8/11/06

Election	FEC Calculation
2006 AZ District 05 Primary	\$26,576.00
2006 AZ District 05 General	\$12,291.28
2006 AZ District 08 Primary	\$254,456.96
2006 AZ District 08 General	\$93,269.60
2006 CA District 50 General	\$58,260.00
2006 CO District 04 General	\$198,950.00
2006 FL District 09 General	\$12,705.00
2006 FL District 22 General	\$526,268.71

**Calendar Year-to-Date Per Election for Office Sought Totals (Schedule E)  
(continued)**

<b>Election</b>	<b>FEC Calculation</b>
2006 MN District 06 General	\$504,352.74
2006 NV District 03 General	\$12,111.20
2006 NY District 20 General	\$10,683.29
2006 NY District 24 Primary	\$296,638.00
2006 NY District 24 General	\$612,891.90
2006 VT District 00 Primary	\$87,998.46
2006 VT District 00 General	\$207,908.79
2006 WA District 08 Primary	\$67,448.82
2006 WA District 08 General	\$58,398.58
2006 WI District 08 General	\$289,042.60

20061107



26039311877